

"Managing and conserving natural, cultural, and recreational resources"

NOTICE OF PUBLIC MEETING
of
THE ARIZONA OUTDOOR RECREATION
COORDINATING COMMISSION
(AORCC)
of
THE ARIZONA STATE PARKS BOARD

Notice is hereby given to members of the Arizona Outdoor Recreation Coordinating Commission (AORCC) and the general public that the Commission will hold a meeting open to the public on **Tuesday, July 27, 2010, beginning at 10:00 a.m. at the State Parks Board Room, 1300 W. Washington St., Phoenix, Arizona**, pursuant to A.R.S. § 41-511.04 and A.R.S. § 41-511.25. Anyone may participate via toll-free teleconference by calling 1.866.751.5726. The participant code is ***1731258*** and **you must enter both *s.** The Commission may go into Executive Session for the purpose of obtaining legal advice from the State Parks Assistant Attorney General on any of the agenda items pursuant to A.R.S. § 38-431.03 (A) (3). The Commission will discuss and may take action on the following matters:

AGENDA

(The Chair reserves the right to set the order of the agenda)

- A. CALL TO ORDER AND ROLL CALL**
- B. INTRODUCTION OF MEMBERS AND STAFF**
- C. ACTION ITEMS**
 - 1. Approval of Minutes from the April 12, 2010 Meeting.**
 - 2. Consider Approval of the Law Enforcement and Boating Safety Fund Allocation Percentage Changes Based on the 2009 Arizona Watercraft Survey and Recommend the Allocation of \$500,000 to La Paz and Mohave Counties – Staff recommends that the AORCC approve the allocation percentages based on the 2009 Watercraft Survey to the eligible counties, and, that Mohave County be allocated \$314,200 and La Paz County be allocated \$185,800 from the LEBSF for fiscal year 2011.**
 - 3. Consider Staff Recommendation for Funding Recreational Trails Program Non-Motorized Projects - Staff recommends awarding \$361,118 to five projects.**

Janice K. Brewer
Governor

State Parks
Board Members

Chair
Reese Woodling
Tucson

Tracey Westerhausen
Phoenix

Larry Landry
Phoenix

Walter D. Armer, Jr.
Vail

Alan Everett
Sedona

William C. Scalzo
Phoenix

Maria Baier
State Land
Commissioner

Renée E. Bahl
Executive Director

Arizona State Parks
1300 W. Washington
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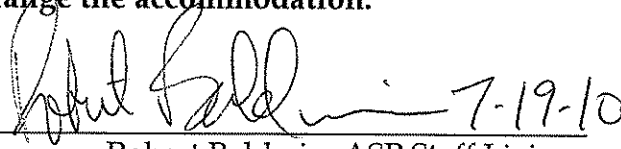
General Fax:
602.542.4180

Director's Office Fax:
602.542.4188

- D. REPORTS** - Commission and staff reports may be written or verbal.
- 1. Parks Board Actions on AORCC Items** – At the April 21, 2001 meeting the Parks Board directed State Parks to use the 2010 LEBSF for agency operations in 2011.
 - 2. State Parks Budget Presentation and Operational Update**
 - 3. New Communications Guidelines for State Parks Advisory Committees** – Staff will draft new guidelines to replace antiquated 1994 Memorandum of Understanding
- E. CALL TO THE PUBLIC** - During the public meeting; the Commission may afford any person the opportunity to present statements relating to agenda items, with or without the opportunity to present them orally. Those wishing to address the Commission must register at the door and be recognized by the Chair. Time permitting; each presentation will be given approximately five minutes. It is probable that each presentation will be limited to one person per organization. Action taken as a result of public comment will be limited to directing staff to study or re-schedule the matter for further consideration at a later time.
- F. SUMMARY OF CURRENT EVENTS, MATTERS OF BOARD PROCEDURE, REQUESTS AND ITEMS FOR FUTURE AGENDA**
- G. TIME AND PLACE OF NEXT MEETING - TBA**
- H. ADJOURNMENT**

A copy of the agenda background material provided to the Commission is available for public inspection at Arizona State Parks, Partnerships Division, 1300 W. Washington, Phoenix, Arizona. Additional information may be obtained by contacting Robert Baldwin at 602-542-7130.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, or this document in an alternative format, by contacting Nicole Armstrong-Best, at 602-542-7152. Requests should be made as early as possible to allow time to arrange the accommodation.

 7-19-10
Robert Baldwin, ASP Staff Liaison
Partnerships Division, Arizona State Parks

Posted at: Arizona State Parks
1300 W. Washington
Phoenix, Arizona
1st Floor

ARIZONA OUTDOOR RECREATION COORDINATING COMMISSION
(AORCC)
OF ARIZONA STATE PARKS
Basement Board Room
1300 West Washington
Phoenix, AZ 85007
April 12, 2010

A. CALL TO ORDER AND ROLL CALL

Jeff Bell
Renée Bahl
William Schwind
Devin Rankin, absent
Karla Brady, via teleconference
Larry Voyles, absent
Margaret Nyberg, absent
Robert Baldwin announced quorum.

B. INTRODUCTION OF MEMBERS AND STAFF

Doris Pulsifer, Chief of Budget & Payroll
Kent Ennis, Assistant Director - Administrative Staff
Jay Ziemann, Assistant Director – Partnerships
Annie McVay, State Trails Coordinator
Robert Baldwin, Recreational Trails Grant Coordinator

C. ACTION ITEMS

1. **Approval of Minutes from the October 22, 2009 Meeting.**
Approval of minutes from October 22, 2009 meeting. Vice-Chair William Schwind, Commissioner Renée Bahl second, motion carries.
2. **Approval of Minutes from the January 13, 2010 Joint Public Meeting of AORCC and Arizona State Committee on Trails (ASCOT) and Historic Preservation Advisory Committee (HPAC) and Natural Areas Program Advisory Committee (NAPAC) and Off-Highway Vehicle Advisory Group (OHVAG) of the Arizona State Parks Board.**
Commissioner Renée Bahl moved to accept minutes, Vice-Chair William Schwind seconds, motion carries unanimous.
3. **Presentation on Status of State Parks Budgets for 2009-2010 and 2010-2011.**
Staff will update AORCC regarding the budgets for State Parks and allow AORCC members to ask questions.

Kent Ennis – Referenced Table A shows summary of Legislative fund sweeps for 2010 and 2011 fiscal years totaling \$71.7 million. They continue to hit our Enhancement Fund to the tune of about \$12.8 million. And, as you can see in the column on the far right, they continue to hit the State Lake Improvement Fund for over \$22.6 million.

Table B shows the State Parks Operating budget. This includes operation of nine or ten parks. The rest have been closed, but we are aggressively pursuing agreements with other communities to operate those parks. This budget shows that we anticipate an operating deficit of \$1.3 million if additional revenues cannot be secured.

With that in mind and considering that the Legislature has authorized State Parks to use the LEBSF funds for operating next year, we intend to use those funds to make up that deficit. Table A illustrates the devastating hits that an agency of our size has been subjected to. Use of the LEBSF fund is needed to keep even the nine or ten parks open.

W. Schwind – Can you take these cuts down to the number of FTE (full time equivalents) that you have lost in administration?

K. Ennis – In the recent second round of layoffs we lost 15 positions and last fall in the first round, it was another 12 positions, a total of 27 positions. This budget reflects operating costs without those positions.

R. Bahl – We are approaching about a 50% vacancy rate between the field and the Phoenix office. We currently have 217 of the original 400 staff positions filled and we are looking at another reduction of 50 positions both in the field and office combined.

W. Schwind – What is the status of the Heritage Fund? Where is the sale of current lottery tickets going?

K. Ennis – On January 1, 2010 State Parks stopped receiving any new lottery funds. From now on the State Parks portion will be deposited directly in the general fund and on July 1, 2011, any money left in State Parks will be turned over to the general fund.

4. Consider Retaining the FY 2010 Law Enforcement and Boating Safety Fund (LEBSF) Distribution.

Doris Pulsifer – Mr. Ennis' report lead us to the need for this recommendation. A brief history of the LEBSF begins in August 2007 when this group approved the allocation percentages for 2008-2010 based on the watercraft survey completed in 2006. The distributions have been made for 2008 and 2009 and the 2010 distribution would normally occur in July of this year (2010). We anticipate the fund will be about \$2 million at that time. Our request is to retain that money for operating during fiscal year 2011 and backfill spending reductions from the 2010 budget.

J. Bell – I want to be sure I am clear. For 2010 the recommendation is to make \$0 distribution and the recommendation for 2011 is ...

D. Pulsifer – The legislation allows State Parks to use all of that fund except for \$500,000 that must be distributed to only La Paz and Mohave Counties.

W. Schwind – Is there a plan beyond 2011?

K. Ennis – This is session law for next year. If nothing happens, then use of the fund reverts back to existing law.

A. Nelson, La Paz County – I urge the Commission not to recommend the use of the fund by State Parks. This will be devastating to boating in the state. Not only would it remove virtually all watercraft patrols from the rivers and lakes in the state, but it would also take the officers out of the boating safety classes they offer to the public. The State is placing many other burdens on the counties which make it difficult to take these officers back on county payrolls. This action will be similar to removing police and highway patrol officers from the streets and highways. I believe it will create a significant public safety issue.

K. Brady – I hate to see this, but I'm not sure we have any other choices. I know Bullhead City will continue to patrol it's river with local police. But Mohave County has a lot more river to cover.

Motion to accept staff recommendation by W. Schwind, second by R. Bahl, call for vote unanimous, motion carries.

D. REPORTS - Commission and staff reports may be written or verbal.

1. Parks Board Actions on AORCC Items – none.

2. Legislative Update

Jay Ziemann – The legislature is winding up. There is very little in the way of additional funding. There have been no discussions about reestablishing the Heritage Fund. There are some strike everything amendments out there that would be confusing or a greater attack upon our funding. So, we are continuing to work those, but this legislature has not been much of a help to say the very most to the State of Arizona's public recreation.

J. Bell – What is the status of the self-sustaining bill?

J. Ziemann – The Governor called a task force that met last summer and recommended a program where people would pay a \$9-10 fee at the time they register their vehicle. They would get free day use access to all of the state parks. That became HCR2040. It breezed through its first committee then was assigned to the House Appropriations Committee where the Chair John Kavanaugh, Fountain Hills, sat on the bill and refused to give it a hearing. Efforts to move the bill out of that committee were not successful and the bill died in committee. So, we are looking at getting that type of bill revived or some other method to establish sustainable funding in the near future.

J. Bell – Didn't he propose an alternative?

J. Ziemann – Representative Kavanaugh proposed a voluntary contribution that is included in the strike everything amendment to House Bill 2599. It is a voluntary donation of \$10 at the time of registration. You would not get anything for the donation. The donation would go into a fund that the

legislature could sweep and have swept in the past. Another problem with this scenario is that the Department of Transportation would have to change all of the vehicle registrations and they would want \$90k each year to manage that. So the first 9000 people that donated would go to pay the ADOT. This proposal is not really going to provide any relief for the State Parks system.

J. Bell – Can you give a status of the bill regarding Lake Havasu City?

J. Ziemann – The Lake Havasu contingent in the legislature introduced two bills at the beginning of the session that would have required State Parks to lease Lake Havasu State Park to the City of Lake Havasu for a period of 25 years and the lease payment could be no more than \$50k per year. Both of those bills died and then last week the proposal popped up again in a strike everything amendment to HB 2464 and passed out of Senate Appropriations. We anticipate earning between \$400k and \$500k on net revenue in fiscal year 2011. Two factors are making that net jump up significantly. One is fee increases we have instituted and second with the reductions in force and layoffs we have done, we have some flexibility in how we use our staff. Taking \$50k in return for that revenue would be very detrimental to our ability to keep the nine or ten parks open and would greatly impede our ability to get other closed parks open eventually. We are actively working to see that this bill does not go any further than it has.

3. AORCC Presentation to the Parks Board

Commissioner Renée Bahl complimented Devin Rankin on the “great job done representing the Commission.”

E. CALL TO THE PUBLIC - none.

F. SUMMARY OF CURRENT EVENTS, MATTERS OF BOARD PROCEDURE, REQUESTS AND ITEMS FOR FUTURE AGENDA

J. Bell - Stay in tune with ASP Foundation website, as well as azstateparks.com for updated information. Website is frequently updated.

G. TIME AND PLACE OF NEXT MEETING – TBA

Jay Ziemann noted point of contact for Grants business would be Robert Baldwin, 2nd Jay Z., 3rd Doris Pulsifer.

H. ADJOURNMENT at 1:29pm

William Schwind moved, Commissioner Renée Bahl second. Motion carries.

**Consider Approval of the Law Enforcement and Boating Safety Fund
Allocation Percentage Changes Based on the 2009 Arizona Watercraft Survey and
Recommend the Allocation of \$500,000 to La Paz and Mohave Counties**

Background

The Arizona State Legislature established the Law Enforcement Boating Safety Fund (LEBSF) in 1981 to provide grants to County Boards of Supervisors for the purpose of supporting boating law enforcement and safety activities. LEBSF revenues are derived from a portion of watercraft license taxes paid by boaters at the time boats are registered.

A.R.S. §5-383 requires the Arizona State Parks Board to administer the LEBSF and establish and adopt procedures for the allocation of the monies. The allocation percentage for each eligible county is based on personnel needs and boat-use days data from the most recent Arizona Watercraft Survey (Survey). The Survey is commissioned every three years.

Current Status

The most recent Survey was completed in September 2009 and eligible counties were asked to provide: (1) the number of water safety law enforcement officers employed on January 1, 2010, and (2) the mid-range salary plus employee related expenses for the officers. These figures and the number of boat-use days data from the Survey were used in the Board approved formula to calculate the allocation percentage for each county (see attached Worksheet 1). Historically, these percentages have been used to determine the distribution of funds.

Chapter 1 of the 49th Legislature's 7th Special Session allows the Parks Board to use monies in the LEBSF accumulated in fiscal year 2010 for the operation of state parks, and Chapter 7 of the 49th Legislature's 7th Special Session appropriated all funds above \$500,000 for FY 2011 State Parks agency operations and limits distribution of the remaining \$500,000 to only La Paz and Mohave counties. The relative allocation percentages for these two counties will be used to distribute the \$500,000 in FY 2011 (see attached Worksheet 2).

Staff Recommendation

Staff recommends that the AORCC approve the allocation percentages in the attached Worksheet 1 based on the 2009 Watercraft Survey to the eligible counties, and, that Mohave County be allocated \$314,200 and La Paz County be allocated \$185,800 from the LEBSF for fiscal year 2011.

Recommended AORCC Action

I move to approve the allocation percentages in Worksheet 1 be used to distribute LEBSF money to the eligible counties, and, that the percentages in Worksheet 2 be used to allocate \$314,200 to Mohave County and \$185,800 to La Paz County from the LEBSF for fiscal year 2011, and to forward this recommendation to the State Parks Board for final action.

LEBSF Allocation Worksheet 1

A	B	C	D	E	F	G	H	I
		(A x B)	(C/Total of C)	(D x .80)	(E x Total of C)		(G x .20)	(E+H)
County	New Mid-Range Salary	Personnel Costs	Percent of Total Personnel Costs	80.000%	Amount of Personnel Costs Paid	Percent Boat Use Days / Participating Counties	20.000%	Percent Allocation
Apache	\$71,658.00	\$71,658.00	3.558%	2.847%	\$57,326.40	0.69%	0.138%	2.985%
Coconino	\$69,371.00	\$208,113.00	10.334%	8.267%	\$166,490.40	11.45%	2.290%	10.557%
Gila	\$77,800.00	\$233,400.00	11.590%	9.272%	\$186,720.00	5.40%	1.080%	10.352%
La Paz	\$70,115.00	\$350,575.00	17.408%	13.926%	\$280,460.00	19.73%	3.946%	17.872%
Maricopa	\$88,784.00	\$355,136.00	17.634%	14.107%	\$284,108.80	12.36%	2.472%	16.579%
Mohave	\$87,343.00	\$524,058.00	26.022%	20.818%	\$419,246.40	47.03%	9.406%	30.224%
Navajo	\$65,304.00	\$65,304.00	3.243%	2.594%	\$52,243.20	1.06%	0.212%	2.806%
Yuma	\$68,549.00	\$205,647.00	10.211%	8.169%	\$164,517.60	2.28%	0.456%	8.625%
Total	\$598,924.00	\$2,013,891.00	100.000%	80.000%	\$1,611,112.80	100.00%	20.000%	100.000%

Boat Use Days from 2009 Survey		Percent Boat Use Days / Participating Counties
County		
Apache	22,392	0.69%
Coconino	371,676	11.45%
Gila	175,498	5.40%
La Paz	640,550	19.73%
Maricopa	401,409	12.36%
Mohave	1,527,284	47.03%
Navajo	34,284	1.06%
Yuma	74,171	2.28%
Total	3,247,264	100.00%

LEBSF Allocation Worksheet 2

From Worksheet 1 -
17.872% (La Paz) plus 30.224% (Mohave) equals 48.096%.

LA PAZ COUNTY
17.872 divided by 48.096 equals 37.16%.
37.16% of \$500,000 equals \$185,800.

MOHAVE COUNTY
30.224 divided by 48.096 equals 62.84%.
62.84% of \$500,000 equals \$314,200.

**Consider Staff Recommendation to Fund
Non-Motorized Trail Projects With Recreational Trails Program Funds**

Background

The Recreational Trails Program (RTP) provides funds to the States to develop and maintain recreational trails and trail-related facilities for both non-motorized and motorized recreational trail uses. The Recreational Trails Program (RTP) was authorized in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) in 2005. SAFETEA-LU was extended through federal fiscal year 2010 at 2009 levels by continuing resolution. A condition to receive the funds is that Arizona must at least annually convene a State Recreational Trails Advisory Committee (SRTAC) consisting of members with both motorized and non-motorized interests. State Parks accomplishes this by holding a joint meeting with the Arizona State Committee On Trails (ASCOT) and the Off-Highway Vehicle Advisory Group (OHVAG). SRTAC met on May 21, 2010 to discuss the programs and uses of RTP money.

Since 2001 the non-motorized portion of this fund has been used to fund the State Parks RTP Trail Maintenance Program. State Parks allocates funds to projects sponsors in a lottery process, then pays trail maintenance crews on state contract directly to do the work.

Current Status

At this year's SRTAC meeting the committee discussed the non-motorized trail projects that were left uncompleted when the Trails Heritage Fund grants were cancelled. They recommended that State Parks staff contact the project sponsors of the incomplete projects to see if they could complete their projects using RTP funds in the amount of the unexpended balance remaining on the Heritage Fund project. Seven projects were eligible for the funds. The project sponsors for five of those projects have requested RTP funds to complete their projects. (See Attachment A)

A total of \$1,280,591 is available from the non-motorized portion of RTP allocations through 2010. Funds not awarded to the trail projects will be used to fund the next cycle of trail maintenance projects.

Staff Recommendation

Staff recommends awarding \$361,118 to five projects on the attached summary list (Attachment A). The recommended funding is as follows:

Total available revenue	\$ 1,280,591
Total recommended awards	\$ <u>(361,118)</u>
Uncommitted balance	\$ 919,473

Recommended AORCC Action

I move to recommend that the five eligible projects on Attachment A that have requested RTP funding be awarded the amounts they requested totaling \$361,118, and that this recommendation be forwarded to the Arizona State Parks Board for final action.

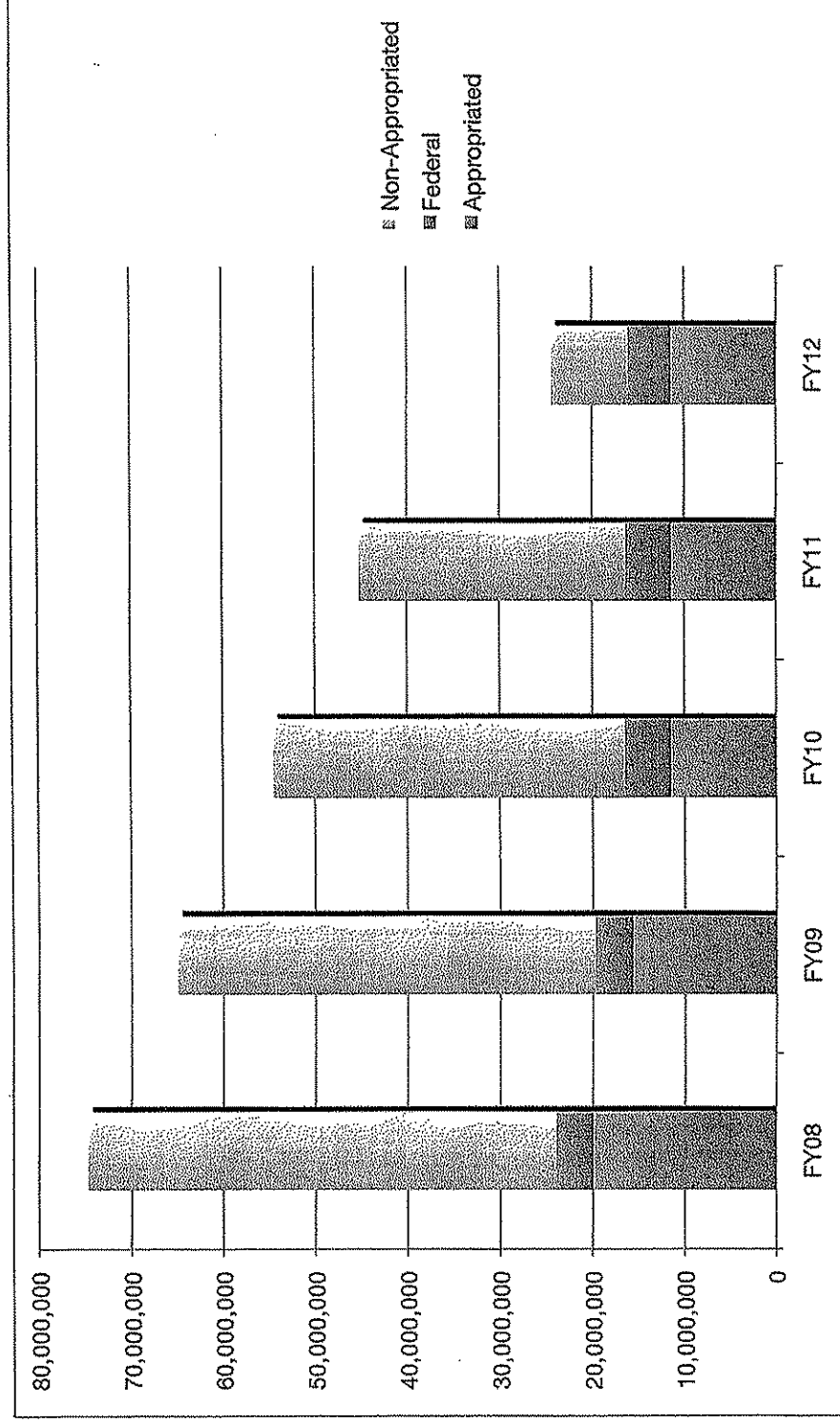
ELIGIBLE PROJECT SPONSOR	PROJ #	PROJECT NAME	% COMP	GRANT AMOUNT	AMOUNT EXPENDED	UNEXPENDED BALANCE OR REQUESTED RTP AMOUNT
Coconino NF *	680304	West Fork/Bell Rock Trails Interp/Ren	52	\$16,920	\$7,921	\$8,999
Coconino NF *	680401	Jim Thompson Trailhead Renovation	85	\$75,657	\$69,964	\$5,500
Flagstaff *	680507	FUTS Trail System Signage, Phase I	40	\$140,148	\$18,457	\$121,691
BLM- Hassayampa Field Office *	680609	Black Canyon Trail Phase III Development	25	\$118,842	\$0	\$118,842
Prescott NF	680701	Aspen Creek Trailhead/Trail Ext Dev	80	\$11,715	\$2,672	\$9,043
Flagstaff *	680704	FUTS: System Signage, Phase II Dev	40	\$106,086	\$0	\$106,086
Avondale	680706	Agua Fria River Corridor Signage Dev	30	\$85,000	\$0	\$85,000
* INDICATES PROJECT SPONSOR REQUESTING RTP FUNDS				TOTAL RTP FUNDS REQUESTED		\$361,118

FY 2009-2011 Fund Sweeps

FY 2009 - 11 Sweeps to benefit the State's General Fund				
Fund	FY 2009	FY 2010	FY 2011	Total
General Fund	\$ 5,112,200	\$ -	\$ -	\$ 5,112,200
Reservation Fund	\$ 48,900	\$ 96,600	\$ 96,600	\$ 242,100
State Lake Improvement Fund	\$ 16,820,300	\$ 4,964,000	\$ 873,500	\$ 22,657,800
Law Enforcement Boating Safety	\$ 500,000	\$ -	\$ -	\$ 500,000
Enhancement Fund	\$ 5,391,800	\$ 5,487,100	\$ 1,954,800	\$ 12,833,700
Off-Highway Vehicle Fund	\$ 1,692,900	\$ 584,100	\$ 861,900	\$ 3,138,900
Heritage Fund	\$ 4,978,100	\$ 11,390,550	\$ 10,000,000	\$ 26,368,650
Partnerships Fund	\$ 5,900	\$ 252,100	\$ 68,300	\$ 326,300
Donations Fund*	\$ 8,300	\$ 213,900	\$ 19,700	\$ 241,900
		\$ (213,900)		\$ (213,900)
Publications Fund	\$ 11,200	\$ 202,900	\$ 60,200	\$ 274,300
Totals	\$ 34,569,600	\$ 22,977,350	\$ 13,935,000	\$ 71,481,950

* Original FY 2009 5th Special Session sweep was reversed in the 2010 7th Special Session

Agency Revenue Comparisons FY 2008 Through FY 2012



Key Operating Budget Assumptions for FY 2011- Policy Issues

- Keep parks open
- Local operating agreements are sustained for FY 2011, FY 2012, and FY 2013
- No additional Legislative Fund Reduction and Transfers (FRAT) or Excess Balance Transfers (EBTs)
- Full usage of Law Enforcement Boating Safety Fund (LEBSF) in FY 2011
- Mid-year loss of Land Conservation Fund funding
- Transition to more seasonal parks staff system-wide.
- Kartchner Caverns Throne/Rotunda room closes October 15 – December 15, 2010

Key Operating Budget Assumptions for FY 2011- Policy Issues (Continued)

- Heritage Fund eliminated at the end of FY 2011
- Final two annual Tonto lease payments of \$980,600 paid from Heritage Fund, in FY 2011
- Set aside \$1.0 million of Operating Funds for contingency capital/maintenance projects in each year FY 2011, FY 2012 and FY 2013
- Jerome State Historical Park will open to the public
- Some seasonal staff expenses for Riordan, Red Rock, Fort Verde or other parks will be paid from operating funds
- Implement an on-line reservation system in FY 2011
- Spend donation dollars

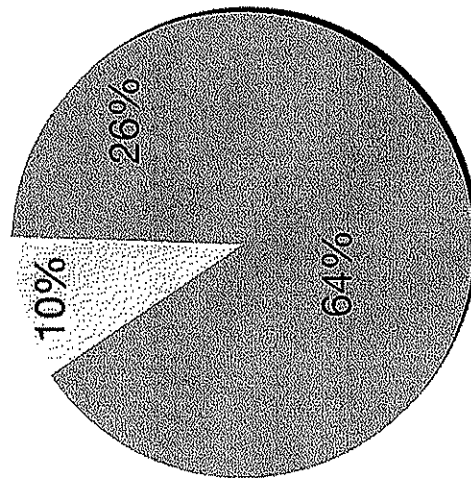
Key Operating Budget Assumptions for FY 2012 and FY 2013 - Policy Issues

- Maximize Enhancement Fund revenue appropriation request
- No continuation of Law Enforcement Boating Safety Fund for agency operations
- Request Kartchner Caverns special line item eliminated

Projected FY 2011 Agency Annual Allocated Expenditures

FY 2011 Projected

- Operations (\$18.45 M)
- Grants* (\$44.57 M)
- Capital Projects (\$7.2 M)

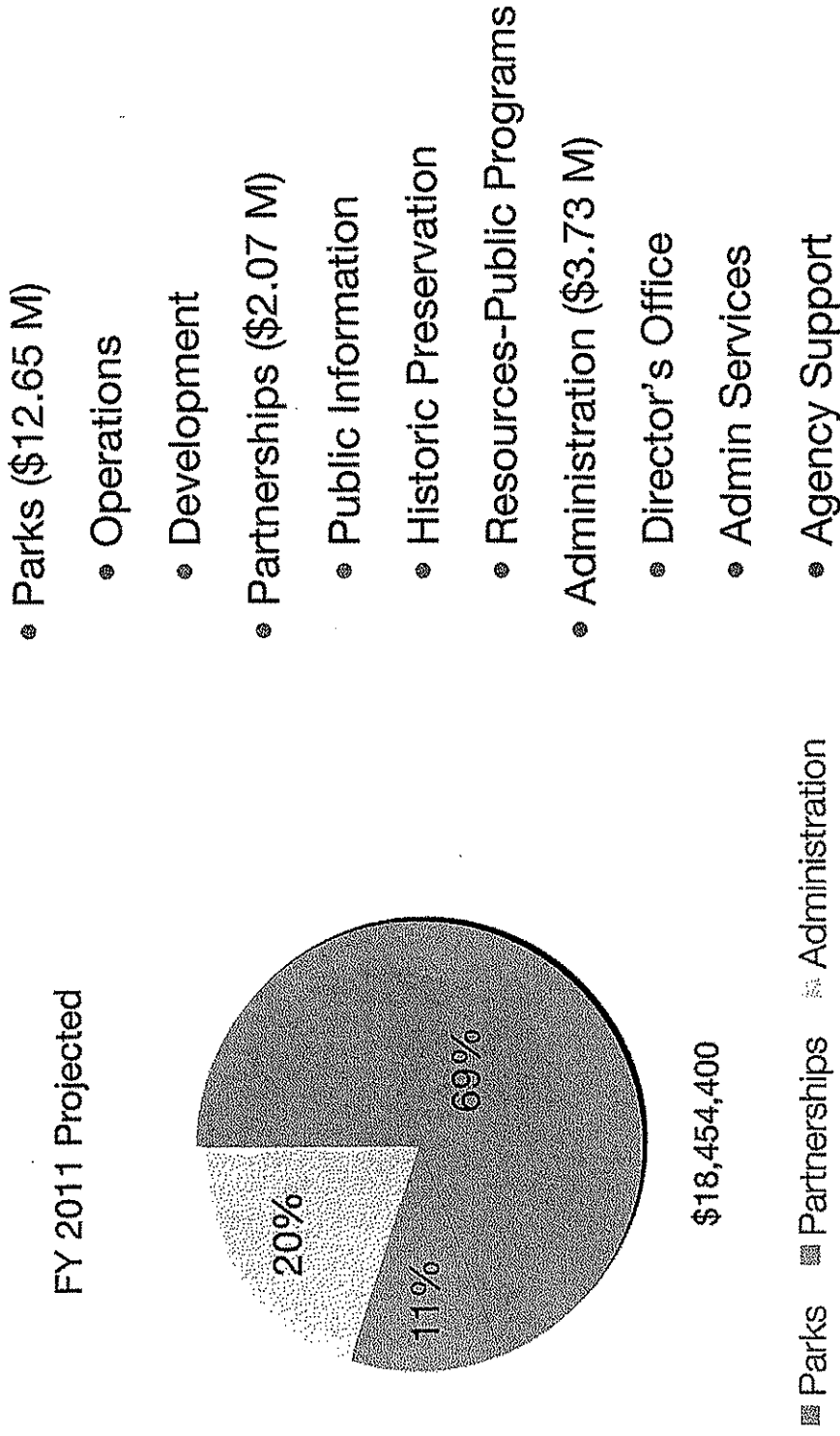


Agency Category of Activity

■ Operations ■ Grants ■ Capital Projects

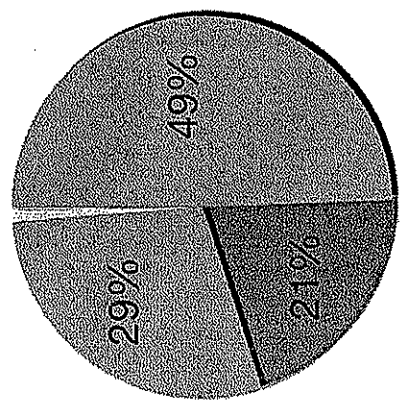
*Based on \$40 M estimated LCF Grants to be awarded in September 2010

Projected FY 2011 Operating Expenditures by Program



Projected FY 2011 Operating Expenditures by Category

FY 2011 Projected



\$18,454,400

- Salary
- Employee Related Expenses
- Other Operating
- P&O
- Travel

- Personnel Services (\$8.80 M)
- Employee Related Expenses (\$3.78 M)
- Other Operating (\$5.54 M)
- Professional & Outside Services (\$274 K)
- Travel (\$64 K)

BOARD ACTION ITEM

F.5.

- Development of Strategies for Sustainable Agency Funding
- Adopt the proposed vision statement:
“Arizona State Parks is indispensable to the economies, communities and environments of Arizona”
- Continue to pursue and evaluate scenarios and measures that might lead to sustainable agency funding
- Report back to the Board at the September meeting.